



May 27, 2024

VIA EMAIL

Mr. Craig S. Morford
Exxon Mobil Corporation
Vice President, Secretary and General Counsel
c/o Ferrell M. Keel
Jones Day
2727 North Harwood Street
Dallas, TX 75201-1515

Dear Mr. Morford:

I write to you in connection with the lawsuit Exxon has brought against Arjuna in federal court in Texas.

Exxon's decision to sue its shareholders over their non-binding proposal encouraging Exxon to consider further accelerating the pace of its greenhouse gas (GHG) emissions reduction efforts represents an assault on the system of shareholder democracy which has served both investors and companies well for decades. Exxon's insistence on continuing the lawsuit even after Arjuna withdrew the proposal and promised not to refile it is consistent with a strategy to silence all shareholders who may attempt to raise similar concerns.

Contrary to Exxon's false and defamatory statements made in defense of its disastrous decision to sue its own shareholders, Arjuna's mission and business is to grow shareholder value. Arjuna is an investment manager and fiduciary, and as such, engages with companies on environmental and social issues, in every case with the goal of achieving better investment outcomes. Arjuna's proposal on GHG emissions is consistent with, and indeed necessary for, securing future financial success. Arjuna is far from alone in seeing the connection between addressing climate risk and positive financial results. A recent survey conducted by EY found that more than half (56%) of investors "want companies to prioritize climate change and environmental stewardship this year," and they "see alignment to longer-term growth for climate-impacted companies." Also contrary to your false statements made in the press and in your lawsuit, Arjuna's proposal was in no way an attempt to "force" Exxon to do anything. As Exxon knows full well, Arjuna's proposal was advisory only and non-binding in nature.

Why would Exxon feel compelled to knowingly mispresent these basic facts about Arjuna and its proposal? Obviously, Exxon cannot publicly state the true intent behind its lawsuit – to silence any investor who may dare to raise a concern that Exxon's management finds inconvenient to address. This bare-knuckled aggression towards its own investors, including seeking to have its shareholders pay Exxon's attorneys' fees for the lawsuit Exxon decided to bring, has justifiably led many investors to conclude that members of management and the Board have abandoned any commitment to good governance and respect for the company's investors.

Arjuna cannot alone bear the brunt of Exxon's war on shareholder rights. For that reason, Arjuna is accepting the Court's invitation, made in its recent ruling, to provide clarity through a "broader stipulation" that Arjuna will not submit the proposal, or anything similar to the proposal, for consideration by Exxon shareholders in the future.

Thus, Arjuna hereby unconditionally and irrevocably covenants to refrain henceforth from submitting any proposal for consideration by Exxon shareholders relating to GHG or climate change.

I expect that Exxon will now, albeit belatedly, do what justice and a respect for the rights of shareholders require and withdraw its lawsuit.

Sincerely,

A handwritten signature in dark ink, appearing to be 'NL', with a long horizontal flourish extending to the right.

Natasha Lamb
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